

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 10/18/2016	(3) CONTACT/PHONE Geoff O'Quest / 781-5011	
(4) SUBJECT Request to approve a 2017 renewal contract with Topaz Solar Farms in the amount of \$465,545, under which County Fire would continue to provide 24/7 fire protection and emergency medical services to California Valley through December 31, 2017, and delegate authority to the County Administrative Officer to approve annual extensions of the agreement indexed to inflation for up to 10 years. District 5.			
It is recommended your Board approve and direct the Chairperson to sign the agreement with Topaz Solar Farm in the amount of \$465,545, under which County Fire would continue to provide 24/7 fire and medical services to California Valley through December 31, 2017, and delegate authority to the County Administrative Officer to approve annual extensions of the agreement indexed to inflation for up to 10 years.			
(6) FUNDING SOURCE(S) Topaz Solar Farm	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$465,545.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: <u>June 19, 2012; December 3, 2014;</u> <u>May 19, 2015; June 7, 2016.</u>	
(17) ADMINISTRATIVE OFFICE REVIEW This item was prepared by the County Administrative Office.			
(18) SUPERVISOR DISTRICT(S) District 5			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Administrative Office / Geoff O'Quest / 781-5011

DATE: 10/18/2016

SUBJECT: Request to approve a 2017 renewal contract with Topaz Solar Farms in the amount of \$465,545, under which County Fire would continue to provide 24/7 fire protection and emergency medical services to California Valley through December 31, 2017, and delegate authority to the County Administrative Officer to approve annual extensions of the agreement indexed to inflation for up to 10 years. District 5.

## **RECOMMENDATION**

It is recommended your Board approve and direct the Chairperson to sign the agreement with Topaz Solar Farm in the amount of \$465,545, under which County Fire would continue to provide 24/7 fire and medical services to California Valley through December 31, 2017, and delegate authority to the County Administrative Officer to approve annual extensions of the agreement indexed to inflation for up to 10 years.

## **DISCUSSION**

### **Summary**

In 2012, the County entered into an agreement with the firm building the Topaz Solar Farm to provide full-time, 24 hour a day, 7 day a week, 365 days a year (24/7) fire protection and emergency medical services to all residents of California Valley during construction of the Topaz Solar Farm project. Prior to this agreement, the County funded services for only three days a week. When construction was completed at the end of 2014, Topaz Solar Farms entered into an agreement to ensure full-time services continued through 2015, and then through 2016. The proposed agreement will continue the provision of services through calendar year 2017. The agreement will also provide a mechanism that, at the discretion of the County Administrative Officer, allows Topaz Solar Farm to extend the agreement in annual increments for up to 10 years, with cost increases indexed to inflation, and thus eliminate current the need to negotiate annual extensions.

### **Background**

Topaz Solar Farm is the owner and operator of Topaz Solar Farm, the 550 megawatt solar farm project near California Valley. First Solar was the primary construction contractor on the project. First Solar's corporate policy required that Advanced Life Support (ALS) level emergency medical services with a response time of 15 minutes or less be available to its workers during construction.

On June 19, 2012, the County of San Luis Obispo entered into a contract with First Solar to provide these services. Prior to construction, County Fire provided emergency medical services at the Basic Life Support (BLS) level in California Valley (Station 42), which was provided by County Fire Emergency Medical Technicians (EMTs). ALS level services can only be provided by more highly trained Paramedics and are regulated by the County Emergency Medical Services Agency (EMSA), which oversees the ALS system countywide.

The County Fire Department and First Solar negotiated an agreement under which the County would provide ALS level service to the entire California Valley area during the three year time period in which construction was to take place. The contract with First Solar was scheduled to run through June 30, 2015, but construction of the solar farm was completed earlier and First Solar ended its County contract for ALS as of January 1, 2015.

Topaz Solar Farm, the owner of the newly constructed solar farm, entered into a contract with the County to continue fire protection and emergency medical services, approved by your Board on December 3, 2014, for the remainder of the First Solar contract period, January 1, 2015 through June 30, 2015. Following that period, Topaz Solar Farm requested that the

contract be extended through December 31, 2015 and a contract amendment continuing services for this period was approved by your Board on May 19, 2015. In the fall of 2015, Topaz Solar Farm subsequently requested an extension through the end of 2016, and on June 7, 2016 your Board approved an agreement that the terms of the agreement through December 31, 2016.

Subsequently Topaz Solar Farm entered into discussions with the Administrative Office to explore establishing an agreement lasting multiple years. The result is the proposed contract, which runs through December 31, 2017. The service level of the proposed contract is unchanged from previous agreements. County Fire will provide fire protection services and Basic Life Support (Emergency Medical Technician or EMT) level services 24 hours a day, 7 days a week. These services will continue to be available to all residents served by County Fire Station 42 in California Valley. Services will be accessed through the 911 telephone system, and Topaz Solar Farm will receive no priority or exclusive right to service above that provided to any other resident in California Valley.

In addition to extending services through December 2017, the proposed agreement also provides a mechanism for Topaz Solar Farm to extend the current terms with costs indexed to inflation, subject to approval of the County Administrative Officer. The agreement may be extended up to a total of 10 years, through December 2027.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has approved the amended contract as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

Topaz Solar Farm will pay \$465,545 for the period January 1, 2017 through December 31, 2017. Total annual cost for the year will be invoiced in January of 2017. Topaz Solar Farms may request extension of the existing terms of service for a total of up to 10 additional years, at the discretion of the County Administrative Officer. Costs for each additional year will be calculated as the prior year annual cost of services plus the annualized Department of Labor Consumer Price Index for All Urban Consumers, Los Angeles area (CPI-U) for May of the preceding year. For example, calendar year 2018 would be calculated as \$465,545 plus the annual CPI for May 2017.

Prior to entering into the original contract with First Solar in June of 2012, the County funded fire protection and emergency medical services for three days each week at Station 42, at a current fiscal year cost of approximately \$400,000. The funding provided by Topaz Solar Farm will fund approximately two-thirds of the additional cost to operate the station 7 days a week for all 12 months of calendar year 2017. The remaining third of the 12 month cost is funded from the County General Fund. This funding was first adopted as part of the County's FY 2015-16 budget and would continue to round out the cost of full time fire protection services at Station 42 as long the agreement with Topaz is in effect.

#### **RESULTS**

The proposed contract with Topaz Solar Farm will continue full-time, 24/7 fire protection and emergency medical services in the California Valley area through December 2017, and provide a mechanism for annual extensions up to a total of 10 years. This level of service will be available to all residents of California Valley. Board approval of this agreement will contribute to the County's Vision of a Healthy, Safe and Well-Governed Community.

#### **ATTACHMENTS**

Topaz Solar Farm Fire Protection and Emergency Medical Services 2017 Agreement